

Message Text

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PAGE 01 DAKAR 02563 01 OF 03 131712Z
ACTION H-03

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FM AMEMBASSY DAKAR

TO SECSTATE WASHDC IMMEDIATE 9032

AMEMBASSY ABIDJAN

AMEMBASSY BAMAKO PRIORITY

AMEMBASSY CONAKRY

AMEMBASSY NIAMEY IMMEDIATE

/AMEMBASSY NDJAMENA 0865

AMEMBASSY NOUAKCHOTT

AMEMBASSY OUAGADOUGOU PRIORITY

AMEMBASSY PARIS

USMISSION OECD PARIS

AMEMBASSY BANJUL BY POUCH

AMEMBASSY BISSAU BY POUCH

LIMITED OFFICIAL USE SECTION 1 OF 3 DAKAR 2563

JOINT STATE/AID MESSAGE

NIAMEY FOR CODEL DIGGS

E.O. 11652: N/A

TAGS: PFOR, EAID, OREP (DIGGS, CHARLES), SG

SUBJ: MEETING BETWEEN M. OUSMANE SECK, SENEGALESE MINISTER
OF PLAN AND COOPERATION AND CHAIRMAN DIGGS

REF: DAKAR 2533 (NOTAL) AND PREVIOUS

1. SUMMARY: IN TWO HOUR MEETING BETWEEN MINPLAN AND COOPERATION
SECK AND CHAIRMAN DIGGS, WIDE RANGE TOPICS RELATED SAHEL
DEVELOPMENT DISCUSSED. CHAIRMAN DIGGS POINTED OUT NEED FOR
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PAGE 02 DAKAR 02563 01 OF 03 131712Z

GREATER JUSTIFICATION FOR SAHEL DEVELOPMENT PROGRAM AS WE MOVE
FROM EMERGENCY TO TRADITIONAL LONG-TERM ASSISTANCE PROGRAMMING.
HE STRESSED NEED TO CONFRONT HARD PROBLEMS CONCERNING DEVELOP-
MENT OPTIONS AND NEED FOR RECEPTIVITY OF SAHEL COUNTRIES TO
DONOR CONCERNS ABOUT STRATEGY AND PRIORITIES. MINISTER SECK
EMPHASIZED SENEGAL IS OPEN TO DIALOGUE ON ALL THESE MATTERS
AND ALWAYS READY DISCUSS AND RESOLVE DIFFERENT POINTS OF

VIEW. END SUMMARY.

2. MEETING TOOK PLACE APRIL 9. WITH MINISTER SECK ON SENEGALESE SIDE THERE WERE (ALL FROM MINPLAN) MADIENG DIAKHATE, SECRETARY GENERAL, BADARY SY, DIRECTEUR ADJOINT FINANCEMENT EXTERIEUR, AND FARBA DIOUF, CONSEILLER. CONGRESSMAN DIGGS ACCOMPANIED BY TWO SUBCOMMITTEE CONSULTANTS, DR. H. CHALLENGER AND THOMAS POPOVICH, AND AMBASSADOR AGGREY AND ARTHUR FELL, ACTING RDO/DAKAR.

3. MINISTER SECK OPENED BY WELCOMING CONGRESSMAN AND EXPRESSING SINCERE GRATITUDE OF SENEGALESE PEOPLE FOR HUMANITARIAN ASSISTANCE USG PROVIDED SENEGAL DURING DROUGHT AND PARTICULARLY FOR CONTINUED INTEREST AND SUPPORT USG HAS PROVIDED SINCE DROUGHT. MINISTER SAID FEW DONORS HAVE SHOWN SUCH CONTINUOUS INTEREST AND HE THOUGHT IT INDICATIVE OF US INTEREST IN THE REGION THAT CONGRESSMAN DIGGS CHOSE VISIT SENEGAL TO LEARN WHAT HAS HAPPENED SINCE DROUGHT.

4. CONGRESSMAN DIGGS SAID THAT SUBCOMMITTEE OF WHICH HE IS CHAIRMAN IS REVIEWING SAHEL DEVELOPMENT PROGRAM AND MANY QUESTIONS HAVE ARISEN WHICH MUST BE ANSWERED TO OBTAIN FUNDS FOR US PARTICIPATION IN PROGRAM FROM THE CONGRESS. CHAIRMAN DIGGS SAID THAT PROVIDING ASSISTANCE DURING AND IMMEDIATELY AFTER DROUGHT WAS ONE THING BECAUSE IT WAS BASED ON EMERGENCY AND HUMANITARIAN REASONS. HOWEVER, AUTHORIZING SAHEL DEVELOPMENT PROGRAM IS ANOTHER THING BECAUSE IT HAS TO BE JUSTIFIED ALONG MORE TRADITIONAL LINES. HE POINTED TO TESTIMONY OF DR. ELLIOTT BERG BEFORE HIS SUBCOMMITTEE AS LIMITED OFFICIAL USE

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PAGE 03 DAKAR 02563 01 OF 03 131712Z

EXAMPLE OF THE KIND OF QUESTIONS THAT WOULD BE RAISED, SUCH AS, DEFINING OVERALL STRATEGIES; QUESTION WHETHER SAHELIAN COUNTRIES HAVE TECHNOLOGICAL AND ADMINISTRATIVE CAPACITY TO ABSORB THE LARGE QUANTITY OF AID PROPOSED; IRRIGATION VERSUS DRY LAND FARMING; NEED FOR GRAIN STORAGE FACILITIES; TENSION BETWEEN PROMOTING INCREASED MILLET/SORGHUM VERSUS RICE WHERE COMPARATIVE ADVANTAGE OF FORMER IS GREATER THAN THE LATTER; QUESTION WHETHER TECHNOLOGICAL PACKAGES EXIST TO GREATLY INCREASE AGRICULTURAL PRODUCTION IN SAHEL; AND QUERY WHETHER SAHELIAN COUNTRIES WILL BE OPEN AND FLEXIBLE ENOUGH TO LISTEN TO DONORS IN SETTING STRATEGIES, PRIORITIES AND DEFINING PROGRAMS.

5. MINISTER SECK RESPONDED BY SAYING ALL THESE ARE EXCELLENT POINTS THAT SHOULD BE DISCUSSED. ADDRESSING THE QUESTION OF EXISTENCE OF TECHNOLOGICAL PACKAGES AND WHETHER GREATLY INCREASED AGRICULTURAL PRODUCTION IS POSSIBLE BASED ON EXISTING KNOWLEDGE/TECHNIQUES HE POINTED OUT THAT SERIOUS AGRONOMIC/TECHNICAL RESEARCH STARTED IN SENEGAL AS EARLY

AS 1913 WITH FOUNDATION OF BAMBEY RESEARCH STATION. THUS, SENEGAL HAS OVER 50 YEARS SOLID SCIENTIFIC AND TECHNICAL RESEARCH. TECHNOLOGICAL PACKAGES HAVE BEEN DEVELOPED AND AID IS SUPPORTING THEM IN THE SENEGAL CEREALS PROJECT (SODEVA) IN THE GROUNDNUT BASIN. IN SENEGAL THE NEED FOR TECHNOLOGICAL/ AGRONOMIC RESEARCH IS TAKEN VERY SERIOUSLY, AS IS RESEARCH IN ALL DEVELOPMENT AREAS. A GENERAL DIRECTORATE FOR SCIENTIFIC AND TECHNICAL RESEARCH COORDINATES WORK ON TEN INSTITUTES INVOLVED EVERY AREA OF RESEARCH. ONE PERCENT OF SENEGAL'S GDP GOES TO RESEARCH AND MOST OF THAT IS FOR AGRONOMIC RESEARCH. SENEGAL RECOGNIZED CONTINUOUS NEED FOR IMPROVED SEEDS, USE OF FERTILIZERS, AND DEVELOPMENT OF CROPPING SYSTEMS. A GREAT DEAL OF DONOR SUPPORT HAS BEEN RECEIVED FROM FRANCE, CANADA AND USG (PARTICULARLY IN APPLIED RESEARCH). SENEGALS HAS NOT STOOD STILL WITH JUST EXPERIMENTAL RESULTS, BUT CREATED DEVELOPMENT COMPANIES SUCH AS SODEVA (COMPANY FOR AGRICULTURAL EXTENSION WORKING IN GROUNDNUT BASIN) WHICH PROVIDES LIMITED OFFICIAL USE

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PAGE 04 DAKAR 02563 01 OF 03 131712Z

EXTENSION SERVICE. FACT THAT TECHNOLOGICAL PACKAGES WORK AND ARE RECOGNIZED AS EFFECTIVE PROVEN BY FACT THAT IBRD AND CAISSE CENTRALE DE COOPERATION (FRENCH ASSISTANCE) HAVE PROVIDED VERY LARGE SCALE ASSISTANCE IN SUPPORT OF SODEVA IN SINE SALOUM REGION AND USAID HAS DONE SO IN THIES-DIOURBEL.

6. MINISTER SAID HE DID NOT WISH TO IMPLY THAT SENEGAL IS PERFECT. SENEGAL RECOGNIZES IT HAS PROBLEMS AND IS WORKING ON THEM POSITIVELY. WITH RESPECT TO PLANNING, ADMINISTERING AND ABSORBING LARGE-SCALE ASSISTANCE, MINISTER IS AWARE THAT MANY CRITICS DOUBT CAPACITY OF SAHELIAN COUNTRIES THIS RESPECT. MINISTER SAID HE ALWAYS THOUGHT SENEGAL COULD ABSORB ALL AID IT HAD BEEN OFFERED. SENEGAL TAKES PLANNING PROCESS SERIOUSLY AND SINCE INDEPENDENCE HAS PREPARED FOUR-YEAR PLANS. NEXT FOUR-YEAR PLAN IS JUST BEING PULLED TOGETHER AND IT WAS MAJOR GOVERNMENTAL EFFORT INVOLVING ALL MINISTRIES COORDINATED BY MINPLAN WITH LARGE CONTINGENT OF SPECIALISTS PROVIDED BY U.M. GOY KREWOEB FGNEDI (WUASI-GOVERNMENTAL CONSULTING AGENCY) TO HELP PREPARE AND STUDY PROJECTS. SO, GOVERNMENT RECOGNIZES PLANNING REQUIREMENTS AND HAS TAKEN SERIOUS MEASURES TO ASSURE THEY ARE MET ON NATIONAL LEVEL.

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PAGE 01 DAKAR 02563 02 OF 03 131802Z
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LIMITED OFFICIAL USE SECTION 2 OF 3 DAKAR 2563

JOINT STATE/AID MESSAGE

NIAMEY FOR CODEL DIGGS

7. WITH RESPECT TO QUESTIONS SUCH AS AMOUNT OF STORAGE NEEDED, IRRIGATED VERSUS DRYLAND FARMING, ETC., MINISTER SAID SENEGAL IS ALWAYS OPEN TO DISCUSSION. THEN STUDY MISSIONS COME, SENEGAL OPENS ITS FILES AND MAKES AVAILABLE ALL INFORMATION IT HAS. GOS MAY HAVE POINT OF VIEW BUT IT ALWAYS SUBJECT TO DISCUSSION AND DIALOGUE. FOR INSTANCE, RECENTLY AN AID STUDY PROPOSED DOUBLE CROPPING AT MATAM BY USING BORE HOLES FOR IRRIGATION INSTEAD OF CLASSICAL METHOD OF IRRIGATING FROM SENEGAL RIVER. SENEGALESE EXPERTS THINK THIS U.S.-PROPOSED PROGRAM MIGHT BE A DISASTER AND ARE NOT INITIALLY FAVORABLE.
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PAGE 02 DAKAR 02563 02 OF 03 131802Z

HOWEVER, THEY ARE OPEN TO DISCUSSION AND WILL STUDY AND DISCUSS THE IDEA FROM EVERY ANGLE. IF THEY ARE PROVEN WRONG, AS HAS HAPPENED IN PAST, AND ARE CONVINCED THAT U.S. EXPERTS ARE RIGHT, SENEGAL WILL ADOPT THE NEW METHOD. SAME THING APPLIES WITH RESPECT TO AMOUNT OF GRAIN WAREHOUSING NEEDED. IN THIS AREA AT LEAST USG APPEARS TO BE IN AGREEMENT WITH GOS PLANS SINCE PROJECT FOR PROVIDING 30,000 MT OF STORAGE HAS BEEN JOINTLY PREPARED FOR POSSIBLE USAID FINANCING. IN ANY CASE, SENEGAL OPEN TO DIALOGUE AND DISCUSSION TO REACH SOLUTIONS

JOINTLY IN CONSTRUCTIVE ATMOSPHERE WITH DONORS.

8. CONCERNING TRADE-OFF BETWEEN MILLET AND RICE, MINISTER POINTED OUT THAT THIS WAS EXAMPLY OF HOW DONORS CAN HAVE EVOLUTION OF OPINION, TOO. FOR YEARS IBRD USED TO ARGUE THAT SENEGAL SHOULD WORK IN AREAS WHERE IT HAD COMPARATIVE ADVANTAGE (PEANUTS FOR INSTANCE) AND FORGET ABOUT GROWING RICE WHICH TOO EXPENSIVE. MINISTER SECK SAID GOS NEVER CONCURRED IN THAT APPROACH BECAUSE COUNTRY SUCH AS SENEGAL SHOULD TRY TO BE SELF-SUFFICIENT IN BASIC FOOD NEEDS. IT NOT ENOUGH TO EARN FOREIGN EXCHANGE WITH PEANUTS IN ORDER TO IMPORT BASIC FOOD GRAINS BECAUSE WORLD MARKET FLUCTUATES WIDELY AND GOS CANNOT CONTROL THOSE FLUCTUATIONS. WHAT IF PRICE OF RICE GOES BEYOND REACH? HOW CAN COUNTRY LIKE SENEGAL BE DEPENDENT ON VICISSITUDES OF ARRIVAL TIMES OF A SHIP OR HOW GRAIN BROKERS OPERATE IN INTERNATIONAL MARKET, WHEN THERE COULD BE A REVOLUTION IN THE COUNTRY IF A SHIP DOES NOT ARRIVE IN DAKAR IN TIME AND THERE NOT ENOUGH RICE IN COUNTRY FOR PEOPLE TO EAT. THERE IS LIMIT AS TO WHAT GOVERNMENT CAN CONTROL AND IT CANNOT CONTROL TASTES OF PEOPLE AND WHAT THEY WANT TO EAT. NOR SHOULD DONORS TRY TO DICTATE THINGS TO GOVERNMENTS WHICH IMPOSSIBLE FOR THOSE GOVERNMENTS IN SAHEL TO CONTROL (SUCH AS WHAT PEOPLE WANT TO EAT). TO ITS CREDIT, IBRD HAS BEEN OPEN TO DIALOGUE ON THIS QUESTION AND HAS NOW CHANGED ITS OPINION. IT IS NOW MAJOR DONOR IN SENEGAL PROMOTING LARGE-SCALE RICE SCHEMES SUCH AS DAGANA, DEBI-LAMPSAR, ETC.

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PAGE 03 DAKAR 02563 02 OF 03 131802Z

9. TALKING ABOUT THE DROUGHT MINISTER SAID HE REALIZES CRITICS HAVE SAID SAHELIAN GOVERNMENTS SHOULD HAVE FORESEEN DROUGHT AND PLANNED BEFOREHAND, AND DONORS ONLY ACTED LIKE FIREMEN, RUSHING IN WITHOUT PROPER PLANNING TO PUT OUT FIRE AND RUSHING OUT. THESE CRITICISMS ARE EXAGGERATED. BEYOND EMERGENCY AID THERE ARE VAST DEVELOPMENT PROGRAMS THAT COULD RAISE UNDERDEVELOPED PEOPLES OF SAHEL UP. SENEGAL FOR INSTANCE HAS A FOUR-YEAR DEVELOPMENT PLAN FOR 410 BILLION CFA AND 61 PERCENT MUST BE SOUGHT FROM EXTERNAL SOURCES. ONE FOURTH DEVOTED STRICTLY TO RURAL DEVELOPMENT. PROJECTS AND PROGRAMS HAVE BEEN IDENTIFIED AND GOS PREPARED FORMULATE AND DEFINE THEM IN CONJUNCTION WITH DONORS. SENEGAL PUTS PARTICULAR STRESS ON RURAL DEVELOPMENT. WITH 5 MILLION POPULATION AND 2.7 PERCENT POPULATION GROWTH RATE, 70 PERCENT OF POPULATION LIVES IN RURAL AREAS. AGRICULTURAL PRODUCTION ONLY SATISFIES TWO-THIRDS OF NEEDS, THUS A REQUIREMENT TO IMPORT FOOD. SENEGAL AIMS AT REACHING FOOD SELF-SUFFICIENCY SO AS NOT TO DEPEND ON EXTERNAL ASSISTANCE OR IMPORTS. WITH YOUNG POPULATION (60 PERCENT UNDER 20 YEARS OF AGE) PROGRAMS FOR TRAINING AND HEALTH ARE PLANNED WITH EMPLOYMENT IN RURAL AREAS COMBINED WITH APPROPRIATE INDUSTRIALIZATION TO ABSORB LABOR. SENEGAL SEES

NEED FOR ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT AND IS PREPARED DISCUSS OVERALL STRATEGIES WITH DONORS. WITH RESPECT TO USAID, MINISTER EXPRESSED HIS STRONG SATISFACTION WITH DIRECTION OF PROGRAM AND ONLY WISHED USAID SHOULD CONTINUE IN DIRECTIONS IT HAS STAKED OUT IN SENEGAL. QUOTE YOU ARE ON THE RIGHT ROAD UNQUOTE, HE SAID.

10. CONGRESSMAN DIGGS EXPLAINED TO MINISTER STRUCTURE OF HIRC SUBCOMMITTEE COMPOSED OF FIVE MAJORITY AND TWO MINORITY MEMBERS AND INVITED QUESTIONS FROM DR. CHALLENGER AND POPOVITCH. DR. CHALLENGER ASKED WHETHER AID SHOULD BE INVOLVED IN IRRIGATION PROJECTS OR INFRASTRUCTURE.

11. MINISTER THOUGHT THIS HIGHLY PERTINENT QUESTION, SAYING WE MUST CONSIDER NEED FOR LARGE-SCALE PROJECTS. ALONG WITH LIMITED OFFICIAL USE

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PAGE 04 DAKAR 02563 02 OF 03 131802Z

EVERYTHING ELSE. MAJOR DEVELOPMENT PROBLEM IN SAHEL IS WATER. 25 BILLION CUBIC METERS FRESH WATER ESCAPE FROM SENEGAL RIVER AND POUR INTO THE SEA EVERY YEAR. CAPTURING THAT WATER FOR IRRIGATION AND HYDROELECTRIC POWER GENERATION COULD TRANSFORM THE REGION. AT CILSS MEETING IN OUAGADOUGOU IN 1973, 600,000,000 CFA IN WATER PROJECTS WERE IDENTIFIED IN SAHEL. MANY DONORS RECOIL AT LARGE-SCALE PROJECTS BUT THEY TOO SHOULD BE OPEN TO DIALOGUE JUST AS SAHEL COUNTRIES ARE. IBRD FOR INSTANCE RESISTED THE OMVS SCHEME ORIGINALLY BUT AN EVOLUTION IN ITS THINKING HAS TAKEN PLACE. IBRD NOW RECOGNIZES THAT IRRIGATED AGRICULTURE CAN INCREASE INCOMES AND CAN BE EXPANDED SO THAT RESOURCES CAN BE BUILT UP IN COUNTRY TO BE APPLIED TO OTHER LESS FORTUNATE AREAS. USAID'S ATTITUDE TOWARD OMVS HAS NOT BEEN AS FORTHCOMING AND IT HAS ONLY SUPPLIED ASSISTANCE ON FRINGE AREAS. ILLOGIC OF AID'S ATTITUDE TOWARDS ASSISTING OMVS INFRASTRUCTURE SHOWN BY FACT THAT USAID FINANCING AT GREAT EXPENSE AN ENVIRONMENTAL IMPACT STATEMENT FOR DEVELOPMENT OF THE VALLEY AND TWO MAJOR DAMS. QUOTE IMAGINE THAT WE END UP ONLY STUDYING THE ENVIRONMENT AND THAT THE DAMS ARE NEVER BUILT UNQUOTE HE SAID.

12. CONGRESSMAN DIGGS ASKED ABOUT RECURRENT COSTS AND FACT THAT MANY OF THESE HEAVY INVESTMENTS WILL ALSO INVOLVE HEAVY BUDGETARY SUPPORT COSTS TO KEEP THEM GOING AND DONOR ASSISTANCE WILL NOT BE FOREVER. WILL GOVERNMENTS OF SAHEL BE ABLE TO SUPPORT ONGOING COSTS?

13. SECK SAID CLEAR DISTINCTION MUST BE MADE BETWEEN BIG PRESTIGE PROJECTS ON ONE HAND AND PRODUCTIVE DEVELOPMENT PROJECTS ON OTHER. NEITHER SENEGAL NOR OTHER SAHELIAN STATES HAVE REQUESTED DONOR ASSISTANCE FOR STADIUMS OR PRESTIGE PROJECTS, RATHER THEY PLANNING SERIOUS AGRICULTURAL AND RURAL DEVELOPMENT PROJECTS WHICH WILL BE PRODUCTIVE. WITH INCREASED PRODUC-

TION, WHEREWITHAL TO PAY FOR INCREASED OPERATIONAL COSTS WILL BE
GENERATED.

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PAGE 01 DAKAR 02563 03 OF 03 131748Z
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LIMITED OFFICIAL USE SECTION 3 OF 3 DAKAR 2563

JOINT STATE/AID MESSAGE

NIAMEY FOR CODEL DIGGS

14. POPOVICH ASKED WHY IBRD SEEMS TO BE RETICENT IN COMMITTING
ITSELF TO THE BIG RIVER BASIN SCHEMES. MINISTER SECK, OBVIOUSLY
INTRIGUED BY QUESTION, SAID IBRD HAS ALWAYS HAD A REPUTATION
FOR BEING CONSERVATIVE IN ANALYZING PROJECTS AND LOOKING FOR
STRONG PROJECT JUSTIFICATIONS. IN 1973 MCNAMARA MADE SPEECH IN
NAIROBI SAYING PROJECTS SHOULD NOT PROFIT THE RICH, RATHER
IBRD SHOULD CONCENTRATE ON HELPING THE POOR AND BE WILLING
TO WORK IN HEALTH, HOUSING, EDUCATION AND RURAL DEVELOPMENT.
SINCE THEN, IBRD HAS CHANGED ITS POLICIES AND IN SENEGAL FOR
INSTANCE IS FINANCING A LARGE SITES AND SERVICES PROJECT AND
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PAGE 02 DAKAR 02563 03 OF 03 131748Z

VOCATIONAL EDUCATION (ENSEIGNMENT MOYEN PRATIQUE) WITH PROMOTION HUMAINE. WITH RESPECT TO OMVS, IBRD'S INITIAL FEELING WAS THAT PROJECT WAS TOO HEAVY ON INFRASTRUCTURE. SINCE THE DROUGHT OMVS HAS REALIZED MORE FULLY THE HEAVY DEPENDENCE SAHELIAN COUNTRIES HAVE ON UNPREDICTABLE RAINFALL, THUS THE NEED FOR WATER CONTROL AND DAMS. IBRD THEN MODIFIED ITS POLICY SAYING THAT PRIOR TO IBRD COMMITMENT CERTAIN PRECONDITIONS MUST BE MET: A) OMVS MUST BE RESTRUCTURED TO HAVE SOLID ADMINISTRATIVE AND MANAGEMENT DIRECTION IT NEEDS TO CARRY OUT THE SCHEME, AND B) BEFORE DAMS ARE BUILT IT MUST BE SHOWN THAT IRRIGATED PERIMETER SCHEMES CAN WORK. OMVS COUNTRIES ACCEPTED IBRD'S ADVICE ON THIS AND MADE MAJOR OVERHAUL OF OMVS STRUCTURE CREATING A HIGH COMMISSIONER UNDER DIRECTION OF CHIEFS OF STATE THEMSELVES AND A COUNCIL OF MINISTERS. THUS, ANY HIGH-LEVEL POLICY QUESTIONS INVOLVING WATER RIGHTS OR ANYTHING ELSE CAN BE RESOLVED AT PROPER LEVEL. MEMBER COUNTRIES HAVE DONE EVERYTHING THEY CAN TO SATISFY IBRD AND OTHER DONORS ON THEIR WILLINGNESS TO MAKE WHATEVER DECISIONS NECESSARY. BESIDES APPOINTING A HIGHLY-COMPETENT HIGH COMMISSIONER IN MR. AW, OMVS COUNTRIES HAVE ALSO ARRANGED TO GET NECESSARY INSTITUTIONAL AND STAFF SUPPORT NEEDED FROM DONORS UN AND IBRD.

15. WITH RESPECT TO SECOND POINT, PROOF THAT PERIMETERS CAN WORK, SENEGAL HAS PLACED A LOT OF RESOURCES IN DEVELOPING PERIMETERS TO DEMONSTRATE THAT FULL WATER CONTROL IS NECESSARY AND POSSIBLE. IBRD FINANCING, ALONG WITH OTHER DONORS, HAS RESULTED IN OVER 4000 HECTARES BEING DEVELOPED AND THESE HAVE BEEN HIGHLY SUCCESSFUL. THUS, IT IS BEING PROVEN, CONCRETELY ON THE GROUND, THAT THESE PERIMETERS ARE FINANCEABLE, WHICH PROVIDES JUSTIFICATION FOR DAMS WHICH WILL CONTROL SALT INTRUSION AND REGULATE WATER FLOW TO MAXIMIZE PROFITABILITY OF OMVS SCHEME. IN SUM, WITH THESE TWO POINTS COVERED, NAMELY REINFORCEMENT OF OMVS MANAGEMENT AND ACTUAL PERIMETER DEVELOPMENT PROCEEDING, IBRD IS MOVING TOWARDS INCREASINGLY SUPPORTIVE STANCE TOWARDS OMVS.

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PAGE 03 DAKAR 02563 03 OF 03 131748Z

16. POPOVICH THEN ASKED WHETHER DIFFERENCES BETWEEN DONORS AND DIFFERENCES BETWEEN SAHELIAN COUNTRIES THEMSELVES MIGHT NOT HOLD UP SAHELIAN DEVELOPMENT. MINISTER SECK SAID WHEN SEVERAL DONORS GET TOGETHER PROBLEMS ARE INEVITABLE, PARTICULARLY WHEN DONORS THEMSELVES HAVE CONTRADICTORY RULES. AN EXAMPLE AROSE WHEN MULTIDONOR FINANCING OF DAKAR PORT BY IBRD, CAISSE CENTRALE AND BADEA (ARAB BANK) WAS PUT TOGETHER. IBRD RULES PROVIDE FOR COMPETITIVE BIDDING WITHOUT DISCRIMINATION WHILE AREB FINANCIERS HAD RULES CONCERNING A BOYCOTT LIST THEY KEEP. THIS PROBLEM EVENTUALLY OVERCOME. OTHER PROBLEMS ARISE WITH TIED

AID, EACH COUNTRY WANTING TO INSURE MAXIMUM AMOUNT OF EXPENDITURE IN ITS OWN COUNTRY. IN THIS RESPECT MINISTER COMPLIMENTED USG FOR BEING MORE FLEXIBLE THAN SOME OTHER COUNTRIES. HOWEVER, KEY TO SMOOTH DEVELOPMENT OPERATIONS IS TO KEEP DONORS FROM FIGHTING AMONG EACH OTHER BY HAVING STRONG COORDINATING BODY, SUCH AS OMVS OR ON NATIONAL LEVEL A STRONG PLANNING MINISTRY. IN SENEGAL ROLE IS FILLED BY MINPLAN AND COOPERATION WHICH KEEPS IN CONSTANT TOUCH WITH DONORS AND INTERESTED GOS MINISTRIES. PROBLEMS ARE IRONED OUT AS THEY ARISE AND IF POSSIBLE MEASURES TAKEN TO AVOID CONTROVERSIES FROM ARISING BEFORE THEY BECOME SERIOUS. IN SAHEL COORDINATION ASSURED BY CILSS AND IT IS THROUGH SUCH MECHANISMS THAT CONFLICTS BETWEEN DONORS AND BETWEEN RECIPIENT COUNTRIES THEMSELVES CAN BE AVOIDED.

17. MINISTER SECK DISCUSSED DIFFERENT WAYS OF APPROACHING MULTIDONOR FINANCING WITHIN CONTEXT OF OMVS WHERE FRANCE IS FINANCING DIAMA DAM, GERMANY FINANCES ENGINEERING FOR MANATALI DAM AND CANADA IS WORKING ON TRANSPORT/PORTS. TWO POSSIBILITIES EXIST IN MULTIDONOR FINANCING, PARALLEL WHERE EACH DONOR FINANCES ITS OWN PART OF PROJECT (IF SEPARATION BETWEEN DISTINCT PARTS IS POSSIBLE) OF JOIN FINANCING WHERE EACH DONOR AGREES TO PAY A CERTAIN PERCENTAGE OF COSTS AND IS BILLED ACCORDINGLY. IN ANY CASE IT IS QUESTION OF ORGANIZING AND COORDINATING DONOR PARTICIPATION WITH CLEAR AND STRONG GUIDANCE FROM RECIPIENT COORDINATING MECHANISM EITHER ON GOVERNMENTAL LEVEL AT LIMITED OFFICIAL USE

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PAGE 04 DAKAR 02563 03 OF 03 131748Z

MINPLAN OR THROUGH INTERNATIONAL ORGANIZATION LIKE OMVS. IT IS UP TO RECIPIENT STATES THEMSELVES TO KEEP OWN HOUSES IN ORDER TO AVOID CONFLICT AMONG THEMSELVES. MINISTER SECK SAID OMVS WAS DELAYED PARTICLLY BECAUSE OF INTERSTATE SQUABBING. THAT IS WHY IBRD'S ADVICE TO CREATE STRONG OMVS WAS GOOD ADVICE WHICH MEMBER STATES HAVE FOLLOWED AND IS PRYING OFF. WITH NEW OMVS STRUCTURE, PROBLEMS WILL BE SOLVED IF NECESSARY AT CHIEFS OF STATE LEVEL.

18. IN CONCLUSION MINISTER SECK EXPRESSED AGAIN DEEP APPRECIATION FOR USAID'S ASSISTANCE. NEED TO PREPARE POPULATIONS FOR LARGER DEVELOPMENT PROJECTS UNDERSTOOD BY USAID AND ASSISTANCE TO SUCH VILLAGE LEVEL, SMALL PERIMETERS LIKE BAKEL IS EXAMPLE OF WHAT NEEDS TO BE DONE NOW SO POPULATIONS WILL BE READY FOR FUTURE LARGER PROJECTS. USAID'S COMPREHENSION OF SENEGAL'S DEVELOPMENT NEEDS GREATLY APPRECIATED AND MINISTER CONCLUDED BY CONGRATULATING USG ON ITS PROGRAM AND EMPHASIZING READINESS OF SENEGAL TO ENGAGE IN A DIALOGUE CONCERNING EVERY FACET OF LONG-TERM DEVELOPMENT PLANNING. ALL SIDES, DONORS AND SAHELIAN COUNTRIES, MUST BE OPEN TO SUCH DIALOGUE.

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